

City of Chula Vista

Consolidated Annual Performance and Evaluation Report

Fiscal Year 2000-01

This Consolidated Annual Performance and Evaluation Report delineates the City's progress overall in carrying out priorities and specific objectives identified in the strategic plan and action plan, and to describe actions or changes contemplated as a result of the City's annual performance. This report contains three basic elements: (1) a summary of resources and programmatic accomplishments; (2) the status of actions taken during the year to implement the City's overall strategy, (i.e., affirmatively further fair housing, monitoring long term housing affordability, etc.); and (3) a self-evaluation of progress made during the past year in addressing identified priority needs and objectives.

Public Participation

Prior to final U.S. Department of Housing and Urban Development (HUD) approval, the Consolidated Annual Performance and Evaluation Report (CAPER) was published in a publication of general circulation. As a result of noticing this document, no public comments were received.

A. SUMMARY of COMMUNITY DEVELOPMENT ACCOMPLISHMENTS

For fiscal year 2000-01, the City of Chula Vista received entitlement funds from the Community Development Block Grant program in the amount of \$2,033,000 and from the HOME Investment Partnership Program in the amount of \$846,000. In addition \$300,000 in prior year CDBG funds has been reallocated for a total CDBG budget of \$2,333,000. The City also utilized \$300,000 from the Low and Moderate Income Housing Fund for rehabilitation activities. The funding source for the Low and Moderate Income Housing Fund is a portion of the Redevelopment Agency 20 percent set-aside funds to assist low- income households. All priorities listed as High will be highlighted in this report.

Housing assistance can be generally described as available throughout the entire City. Homeownership activities, preservation of at-risk affordable housing, rehabilitation of owner-occupied housing, and mixed income rental housing acquisition and development can occur in any area of the City exhibiting need or project feasibility (subject to program guidelines).

1. **Priority Housing Needs.** This section describes Chula Vista's strategies for addressing housing needs which are identified as High priority.

Priority 1.1: Preserve the City's four apartment complexes which are at risk of converting to market rate rentals through acquisition by local non-profit corporations. This has been targeted as a High priority.

Accomplishments: During the 2000-01 program year no apartment complexes were in jeopardy of converting to market rate rentals, therefore, no funds were expended for this priority.

Priority 1.2: Continue the housing and mobile home rehabilitation programs in order to preserve the City's aging housing stock. This has been targeted as a Medium priority.

Accomplishments: During the 2000-01 program year, Chula Vista provided resources from the Low and Moderate Income Housing fund to rehabilitate approximately 60 mobile homes. The single-family rehabilitation program has been suspended due to changes in program guidelines. The acquisition and rehabilitation of the Pear Tree Manor Apartments has been completed. This project received approximately \$1.3 million in redevelopment set-aside funds and rehabilitation 119 units.

Priority 1.3: Continue to implement the City's Affordable Housing Program so that more newly constructed rental and for-sale units are made available to low, moderate, and middle income households. This has been identified as a High priority.

Accomplishments: During the 2000-01 program year, approximately 220 units were created.

EastLake Greens – EastLake Development Company. This for-sale development will provide 187 low-income units targeting 80 percent and below area median income households and 130 moderate units targeting 81 percent to 120 percent median income households. This project received financial assistance from the City through the use of HOME funds in the amount of \$275,000.

Villa Serena. This complex provides 132 rental units for seniors aged 62 and older. Rents start from \$477/month for a 1-BR to \$690/month for a 2-BR. The units are fully occupied with a waiting list in effect.

Priority 1.4: Assist low and moderate income residents to become homeowners.

Accomplishments: For program year 2000-01 approximately 8 households were assisted in purchasing homes in Chula Vista through the Mortgage Credit Certificate (MCC) program. Additionally, HOME funds have been committed during this program year to assist 130 first-time homebuyers in Chula Vista purchase homes in the eastern territory of the city.

Priority 1.5: Continue to support non-profit corporations to develop or rehabilitate rental housing for very low and low income households.

Accomplishments: For program year 2000-01 Chula Vista provided funding to Chelsea Investment Corporation to acquire and rehabilitate 119 rental units. Low and Moderate Income Housing funds in the amount of \$1.3 million was approved for this purpose. Additional Low and Moderate Income Housing funds and HOME funds in the amount of \$467,000 was used to assist South Bay Community Services in their development of Trolley Trestle, an 11-unit transitional housing projects for young adults completing the San Diego County Foster Care program.

Priority 1.7: Utilize the Chula Vista Housing Authority to provide for newly constructed public housing units in Chula Vista in conjunction with the San Diego County Housing Authority.

Accomplishments: For program year, the Chula Vista Housing Authority did not partner with the San Diego County Housing Authority for public housing units. However, the Chula Vista Housing Authority did partner with Chelsea Investment Corporation in the issuance of tax-exempt bonds for the Villa Serena and provided a \$275,000 loan from the Low and Moderate Income Housing fund.

2. **Priority Homeless Needs.** This section describes Chula Vista's strategies for addressing homeless needs. There are no High priority items in this section, however, Chula Vista does provide approximately \$12,000 in Low and Moderate Income Housing funds and CDBG funds for homeless activities. More specifically, the Regional Task Force on the Homeless and the County of San Diego Cold Weather Shelter program.
3. **Priority Special Needs Populations.** This section describes Chula Vista's strategies for addressing housing for special needs populations. There are no High priority items in this section, however, Chula Vista does support local non-profit agencies with funding for special needs programs, including but not limited to, rental assistance through the County of San Diego Section 8 program and fair housing activities.
4. **Priority Non-Housing Community Development Needs.** This section describes the Chula Vista's strategies for addressing non-housing community development needs. Those priorities described as High will be highlighted below.

Priority 4.a.1. Provide for new community facilities and improve the quality of existing community facilities to serve those of lower and moderate income.

Accomplishments: For program year 2000-01, CDBG funds were budgeted to upgrade existing community facilities. CDBG funds for capital improvement projects were budgeted for the following programs:

Boys & Girls Club. Funds were budgeted and expended in the amount of \$52,200 to upgrade the existing restroom and kitchen facility.

South Bay Family YMCA. Funds were budgeted in the amount of \$25,000 to upgrade the existing facility.

Otay Recreation Center. Funds were budgeted in the amount of \$48,696 to complete the recreation center.

Recreation Facilities. Funds were budgeted in the amount of \$194,400 to upgrade existing City recreation facilities and purchase playground equipment.

Priority 4.b.1. Provide for needed infrastructure improvements in lower and moderate income target areas:

Accomplishments: For program year 2000-01 funds were budgeted in the amount of \$600,250 for addressing the need for street improvements, sidewalk improvements and street lighting.

Priority 4.c.1. Continue to fund public services for residents with special needs and leverage CDBG public service funds with Department of Justice COPS I Grant funds to provide four additional peace officers.

Accomplishments: CDBG funds were used to leverage public service funds with Department of Justice COPS grant funds for program year 1995 through 1997. Chula Vista continue to budget the maximum allowable for public services and for program year 2000-01, \$334,419 was budgeted for public services.

Priority 4.d.1. Provide for the access needs of physically disabled.

Accomplishments: Every year Chula Vista budgets \$50,000 for ADA curb cuts on a city-wide basis. Funds will continue to be budgeted until all curb cuts have been installed.

Priority 4.e.1. Provide proactive business assistance programs to encourage job creation through business attraction, retention, and expansion.

Accomplishments: For program year 2000-01 Chula Vista budgeted \$55,000 toward a Business Retention Specialist to act as liaison to outside businesses and organizations. General Funds were also budgeted for this purpose. Specific accomplishments include:

IDEC – City staff worked diligently to attract IDEC to Chula Vista through a reduction in development fees. Unfortunately, IDEC selected Oceanside to relocate their facility.

EastLake Industrial Center. In April 1999 ground breaking occurred for a regional business center in the EastLake Business Center. The \$10 million project will offer space to distribution and light manufacturing companies.

Family Resource Center. As part of an ongoing resurgence in the production of office space in the South Bay, a 75,000 square foot office building was developed for use as a Family Resource Center which houses 350 San Diego county Health and Human Services employees.

B. ACTIONS TAKEN to AFFIRMATIVELY FURTHER FAIR HOUSING

As a recipient of Community Development Block Grant (CDBG) funds, the City of Chula Vista is required to develop a proactive fair housing program with specific actions and procedures that will have a significant impact on preventing, reducing or eliminating housing discrimination and other barriers to equal housing choice based on race, color, religion, sex, or national origin. In July 1995, Community Development Department staff and the Fair Housing Council of San Diego compiled data for the Assessment of Impediments to Fair Housing Choice in the City of Chula Vista report. This comprehensive report has served as the basis for the City's Fair Housing program over the past three years.

The scope of the assessment extended beyond discriminatory practices to include a review of racial/ethnic housing patterns and local programs and policies which affect community balance. Specifically, this assessment analyzed the following:

Demographic data & income characteristics

Residential distribution of whites and minorities

Home mortgage lending data by census tract

Relationship of public transportation and major employers

Housing costs as an impediment to housing choice

Impact of private and public sector policies and practices on fair housing

Assessed City's current Fair Housing Program and services

The conclusions drawn from this Impediments to Fair Housing Assessment include:

The City does not have racially and ethnically segregated housing patterns to any significant degree

An audit of ten random rental sites showed that there was no discrimination against Hispanics

An audit of five sites with past discrimination complaints (either Hispanic or non-Hispanic) showed that three of the five (60%) sites continued to discriminate. (In this instance, against undercover Hispanic testers)

Discrimination against children and families occurred in the random sample at three of the ten sites (30%)

The City's Fair Housing Services are continually growing. No regular program of audit/testing is in place to determine if discrimination is occurring

There is a positive relationship between choice of housing location, job location and availability of transportation

Availability of public transportation in Chula Vista does not hinder housing choice

Home ownership opportunities are limited for most people in Chula Vista because of the high cost of housing

No apparent disparity in lending activity exist within each race category due to the location of the home being on the west side or east side of Chula Vista

The inconsistency of the gap between the percentage of total applications closed by race and the corresponding percentage of applications by race paired by income suggest that income is likely not the only inhibiting factor to home ownership

Investment patterns show that minorities are less likely to become home owners than Caucasians

The trends noted below were prevalent in Chula Vista:

Census tracts located east of I-805 received significantly higher number of loans and dollar amounts than those located west of I-805. This gap reflects the fact that there is a substantially greater amount of development occurring on the east side of Chula Vista with new housing costs higher than on the west side of Chula Vista.

Fewer dollars were invested in the higher minority areas than the lower minority areas

No apparent disparity in lending activity exist within each race category due to the location of the home being on the west side or east side of Chula Vista

The inconsistency of the gap between the percentage of total applications closed by race and the corresponding percentage of applications by race paired by income suggest that income is likely not the only inhibiting factor to home ownership

Recommended actions to overcome the effects of identified impediments:

Racially based audits should be conducted periodically to determine the nature and extent of housing discrimination throughout the City. These should be later expanded to include races other than Hispanic and White, other discrimination factors than race and families with children and other potential discrimination site.

All City staff involved in work relating to fair housing should be carefully trained to understand how fair housing laws apply to building codes, zoning, special use permits and other housing issues.

The City is working toward strengthening its working dialogue with the local lending community. Possible joint venture projects could include specialized lending in under-served areas, education outreach on private and public programs or other efforts.

Continue providing and facilitating access to enforcement assistance where bona-fide complaints of fair housing are received through the intake process and verified by implementing the following:

1. Receive, investigate, verify, through tests where appropriate, and resolve through conciliation or referral to an enforcement entity or private attorney, bona-fide housing discrimination complaints; and
2. Conduct housing discrimination audits, where funding permits, designed to measure the levels of compliance with fair housing laws; will also lend substantive definition to the type and nature of particular housing discrimination problems unique to Chula Vista.

Foster, promote, and increase consumer/home seeker, provider/home owner and property manager awareness of fair housing rights and responsibilities in the rental, sales, lending and property insurance marketplace(s) in the City of Chula Vista by performing the following activities:

1. Provide advocacy for equal housing opportunities for all persons.
2. Conduct outreach and education activities which are designed to inform (via workshops, seminars, presentations, dissemination of written materials and hotline operations) the general public about fair housing law (federal, state, and local) and the rights and responsibilities under such laws.
3. Develop and disseminate written informative fair housing materials.
4. Conduct a bi-lingual (English/Spanish) telephone information line for receipt of public contact/inquiry regarding housing discrimination and tenant-landlord information and problem solving.
5. Sponsor a Fair Housing Poster and essay contest for the residents of Chula Vista to culminate during April, National Fair Housing Month.
6. Promote Chula Vista's Fair Housing services through press releases and articles in local newspapers and the media.
7. Continue to build working partnerships with area community based and social service

agencies for the purpose of more effective outreach to housing consumers.

8. Collaborate with other housing groups, where appropriate, to achieve fair housing goals.

Help real estate, property managers, lenders and property industry professionals achieve increased levels of voluntary compliance with federal and state fair housing laws through the following activities:

1. Provide technical training to owners, property managers and lenders which are designed to effect an increased level of compliance with federal and state fair housing laws; and
2. Continue telephone hotline services in response to owner/manager inquiries.

In past years, the City has promoted fair housing through its funding of a part-time Fair Housing Officer, poster contests, and tenant/landlord services. A comprehensive Chula Vista Fair Housing Program began in 1992 with the continued support of past and recently adopted land use policies, zoning policies, and in 1991 adoption of Housing Element Objectives to create a comprehensive and thorough approach to fair housing in the City.

The Fair Housing Program includes the following: Annual audits of rental dwellings to determine the extent of housing discrimination; technical assistance to potential victims to include counseling, investigation services and a telephone hotline; publish outreach materials such as bi-lingual newspaper articles, landlord/tenant brochures and handbooks, workshops; and lastly, public presentations which include a poster contest to promote fair housing in the City.

The City's Fair Housing objectives are cited in the City's Housing Element to support fair housing. The first is the provision of adequate rental housing opportunities and assistance to households with low and very low incomes, including those with special needs such as the aged, handicapped, single-headed households and large families, followed by the broadening of available housing types and the increase of home ownership opportunities for low and moderate-income households, the elimination of racial, age, religious, sexual and economic bias and discrimination in housing provision, and the assurance of fair lending practices.

It should be noted that on a regional basis, Chula Vista is participating in the updated Assessment to Impediments to Fair Housing. Currently, the Fair Housing Council was awarded the task of compiling data and distributing the results to all participating jurisdictions for review. To date, the report is undergoing the review process and updated material will be incorporated into the 2000-2005 Consolidated Plan.

C. AFFORDABLE HOUSING

For program year 2000-01 the following chart delineates the summary of accomplishments for providing affordable housing to low and moderate income households:

Identified Income	Household Type	Households Assisted	Funds Expended
0 to 30% AMI	Renter	Zero	\$0
0 to 30% AMI	Owner	10	\$20,000 Low/Mod funds were used in the form of rehabilitation grants
31 to 50% AMI	Renter		
31 to 50% AMI	Owner	25	\$50,000 Low/Mod funds were used in the form of rehabilitation grants
51 to 80% AMI	Renter		
51 to 80% AMI	Owner	10	\$20,000 Low/Mod funds were used in the form of rehabilitation grants
	Homeless	1,000	\$8,000 Thursday's Meal received CDBG grant
	Non-homeless Special Needs		

ACTIONS TAKEN to ADDRESS the NEEDS of HOMLESS PERSONS

South Bay Community Services (SBCS), with support from a coalition of human service providers acquired and rehabilitated two apartment buildings at 17 and 31 Fourth Avenue for a homeless and transitional housing project. The Casa Cuatro project (17 Fourth Avenue) includes twelve 2-bedroom units for transitional housing and fourteen 1 and 2-bedroom units for very low income families. The transitional housing program continues to provide homeless or displaced Chula Vista families with the opportunity to regain self-sufficiency. Eligible families include those who are currently homeless or who are being evicted and are without prospect of finding appropriate affordable housing. The families pay up to 30 percent of their incomes for rent. They are required to establish savings plans for rent and security deposits on private market units. The average stay in transitional housing is six months, with the maximum allowable tenancy being 24 months.

The Casa Nueva Vida (31 Fourth Avenue) includes 14 units (2 two-bedroom and 12 one-bedroom) immediately next door to Casa Cuatro. This short-term housing facility continues to assist homeless families and/or displaced Chula Vista families with a place to stay. The average stay in the homeless shelter is sixty days. SBCS has coordinated a network of human service providers, including MAAC Project, Episcopal Community Services, and Lutheran Social Services to provide residents with job training and Head Start health care to assist the families with self-sufficiency.

HOME funds for fiscal year 1998-99 were used to purchase two condominium units to be used as transitional housing. These particular units are used as a "safe house" for female victims of domestic violence. The property address of the

two units are withheld to ensure confidentiality.

The City will continue to support other homeless service providers through funding for the following projects:

Thursda's Meal. This program serves meals for homeless individuals and families in the Chula Vista area. For fiscal year 2000-01 Thursdayss Meal served approximately **1600** meals. Funds in the amount of \$8,000 was budgeted for this activity.

San Diego Regional Task Force on the Homeless. This program does not provide any direct services to clients but provides statistical data on the homeless population in the San Diego County area. For fiscal year 2000-01 the Task Force received \$1,000.

Lutheran Social Services - Project Hand. This program provides services that include, in part, shelters for the homeless, transitional housing, emergency food, clothing and transportation. For fiscal year 2000-01, Project Hand assisted **2,457** low income clients. Funds in the amount of \$12,000 was budgeted for this activity.

Evaluation of Progress in Meeting Objectives of Providing Affordable Housing

High Priority Housing Needs

Continue to implement the City's Affordable Housing Program. Chula Vista is very fortunate because a large portion of the City is yet to be developed. In an effort to gain more housing units affordable to low and moderate-income groups in the undeveloped areas and to promote a balanced community, the Affordable Housing Program was developed. Census data for 1990 shows that the City lacks affordable rental and for-sale units to persons and families in the above income groups. For fiscal year 2000-01, the following Affordable Housing Agreements were negotiated and approved:

EastLake Greens. EastLake Development Company. This for-sale development will provide 130 low-income units targeting 80% and below area median income, and 130 moderate units targeting 80% to 120% area median income. HOME funds will be used to provide down payment and closing cost assistance for the 130 low-income units. For fiscal year 2000-01, EastLake has completed the permit processing and has begun grading the site.

Teresina at Lomas Verdes. The City of Chula Vista issued \$43 million in bonds to fund the development of Teresina at Lomas Verdes. Teresina is a 440 three-story luxury garden apartment development with 88 units affordable and restricted to families whose income is at or below 50 percent of area median income. This project is completed and is in the process of leasing the units.

Villa Serena. Financing and development of Villa Serena is a joint private-public partnership, with the Redevelopment Agency providing a loan in the amount of \$275,000, the City=s Housing Authority issued \$7 million in bonds, and the City approved a 69% density bonus for the project. The 139 units low-income apartment complex are affordable to very low and low income seniors age 62 years of age or older for a period of 52 years. Twenty percent of the units will be affordable to very low income seniors. This project is completed and the units are in the process of being leased.

Rolling Hills Ranch. The developer is proposing two affordable housing developments within the Rolling Hills Ranch master planned community. The proposed multifamily development will consist of 160 units with 32 low income units. Adjacent to the multifamily development, the developer is proposing 116 units affordable to low income seniors aged 62 or older. The developer did not request

financial assistance from the Redevelopment Agency. Both projects will remain affordable for a period of 30 years. The project is ready to break ground.

Trolley Trestle. The Redevelopment Agency approved financial assistance in the amount of \$300,000 in fiscal year 1999-00 to South Bay Community Services for the construction of this project. Trolley Trestle is an 11-unit housing development for those extremely low income youths completing the San Diego County Foster Care Program. Construction of the project is nearing completion and the Redevelopment Agency recently approved additional financial assistance in the amount of \$75,000 for the off-site improvements.

Pear Tree Manor Apartments. The developer has proposed to acquire and rehabilitate this 119 unit complex. The Housing Authority of the City of Chula Vista issued bonds in the amount \$6.5 million and the Redevelopment Agency provided financial assistance in the amount of \$1.2 million. This project will be affordable to households earning between 50 and 60 percent of AML. The apartments are currently undergoing rehabilitation.

Assist low, moderate and middle income residents to become home owners. According to SANDAG and data compiled from the San Diego Union-Tribune Newspaper, approximately 30% of all households could afford to purchase a single-family home in the San Diego region in 1993, and it is estimated that approximately 25% of Chula Vista residents can afford a median priced single-family home in Chula Vista. This percentage does assume, however, that these individuals have the down payment and closing costs necessary for a loan and a well established credit history. The City assists low, moderate and middle income residents by offering the following programs:

Mortgage Credit Certificate Program. The Redevelopment Agency administers the Mortgage Credit Certificate program which allows eligible buyers to take 20% of their mortgage interest as a tax credit on their federal income taxes. To be eligible for the program in non-targeted census tracts, a household must be a first-time home buyer, buy a home in Chula Vista, and earn less than 115% of county median income. (A targeted census tract is one where 70% or more of the households earn 80% or less of the county median income). For fiscal year 2000-01, the City assisted 12 first-time home buyers. Funds for this program are awarded on an annual basis from the California Tax Credit Allocation Committee (CDLAC).

Reissued Mortgage Credit Certificate Program. The Redevelopment Agency participated in the reissued mortgage credit certificate program (RMCC) which allows current and future holders of MCCs to refinance their original mortgage and not lose the benefit of the MCC.

Lease-to-Own Program. The City of Chula Vista, under the auspices of the County of San Diego will participate in the Lease-to-Own program. Cities interested in offering the program get together to form a JPA to issue tax-exempt bonds. The bonds are used to provide down payment and closing cost assistance to qualified buyers. The JPA purchases the home in behalf of the qualified home buyer. The qualified home buyer then makes lease payment to the JPA for a period of three year. After the three year lease period, the potential home buyer then purchases the home.

The Lease-to-Own program has formally been adopted by the participating jurisdictions and the San Diego Housing Finance Agency has been formed. It is anticipated that the SDHFA will apply for bond financing.

D. CONTINUUM of CARE

Chula Vista did not address the Continuum of Care issue in the 1995 through 1999 Consolidated Plan. However, Chula Vista continues to support activities directed at the homeless. For program year 1999-00, CDBG funds were budgeted for Lutheran Social Services Shared Housing in the amount of \$4,000; Thursday's Meal in the amount of \$8,000; and the Regional Task Force on the Homeless in the amount of \$1,000. Additionally, Low and Moderate funds in the amount of \$12,000 was budgeted for the County of San Diego Shelter Voucher program.

E. STRATEGIES ADDRESSED in the STRATEGIC and ANNUAL ACTION PLAN

Obstacles to meeting under served needs. The City is continuing in its effort to remove obstacles to under served needs throughout the community. Chula Vista has made a commitment to budget CDBG funds at the maximum allowable for public service activities to offer citizens much needed programs and services in the area of literacy, job training, youth activities, senior services, violence prevention, meal delivery, and health care assistance for low-income families.

Foster and maintain affordable housing. The City has developed and utilizes a blanket Affordable Housing Agreement for all new housing development occurring in Chula Vista. This agreement stipulates that 10 percent of the total dwelling units in a new development must be set-aside for low and moderate income households. This inclusionary housing requirement is strongly supported by the City Council and has made it possible for affordable units to be co-mingled with market-rate units.

The City also maintains affordable housing through the Community Housing Improvement Program (CHIP). The purpose of this program is to assist low-income households rehabilitate their existing home. Both single-family and mobile homes are eligible to receive assistance. Currently, \$300,000 in Low and Moderate Income Housing Funds are used to fund this program.

Eliminate barriers to affordable housing. The City has participated in the Mortgage Credit Certificate (MCC) program since 1991. This program is offered to first-time home buyers purchasing homes in Chula Vista. The purpose of this program is to assist low and moderate income households purchase their first home. The main benefit of the MCC program is in the form of a tax credit in the amount of 20% of the mortgage interest paid annually. For fiscal year 2000-01, Chula Vista continues its partnership with the Regional MCC program due to the decline in MCC funding. For fiscal year 2000-01, 12 first-time buyers received assistance. Funds for this program are received from tax allocation bonds by the California Debt Limit Allocation Committee on an annual basis.

Overcome gaps in institutional structures. There are many organizations which play a role in implementing the City's five-year strategy. The coordination of these organizations rests with the Community Development Department of the City. City staff continues to work with the San Diego County Housing Authority to provide Section 8 rental assistance.

In February 1995, the City received HUD certification as a Housing Authority. The main emphasis of the Chula Vista Housing Authority is to act as a vehicle in the development and financing of affordable housing projects. For fiscal year 2000-01 the Chula Vista Housing Authority was the issuer on two large rental projects: Teresina at Lomas Verdes and Villa Serena. The Housing Authority issued approximately \$50 million in bonds to fund both projects.

Improve public housing residential initiatives. The City of Chula Vista supports the San Diego County Housing Authority in maintaining the administration of the Section 8 Rental Assistance Program. The City routinely disseminates information to the public regarding the Section 8 program.

Evaluate and reduce lead-based paint hazards. The City has in place a loan program to assist home owners alleviate lead-based paint hazards through the Community Housing Improvement Program (CHIP). However, the CHIP loan program is in the process of being revised. The City utilizes Low and Moderate Income Housing Funds for this purpose. No federal funds are used in conjunction with the CHIP program. For fiscal year 2000-01, no CHIP loans were made toward lead-based paint hazards.

F. LEVERAGING RESOURCES

Chula Vista makes every effort to leverage resources in the production of affordable housing. With regard to CDBG funds, the majority of leveraging occurs in the capital improvement budget. The available of alternative resources to be utilized with CDBG include Development Impact Fees, Park Acquisition and Development Fees, Gas Tax, State Department of Transportation funds, and the General Fund. For program year 1999-00, HOME funds have not been expended, however, \$650,000 has been committed for the EastLake Greens "Antigua" first-time homebuyer program. Other fees in addition to HOME include a developer contribution in the amount of \$2,600,000.

Additionally, in the production of affordable housing, the Chula Vista Housing Authority leverages funds through the issuance of bonds. For program year 2000-01, approximately \$12,000,000 in bonds have been issued in addition to approximately \$1,875,000 in Redevelopment Agency loans.

Total Amount of CDBG/HOME funds committed for program year 2000-01:

Total Amount of CDBG/HOME funds expended for program year 2000-01:

No matching funds for HOME was required for program year 2000-01.

G. CITIZEN REPORT

All documents that have been submitted for HUD review and approval have been made available to the public, including information generated through the Integrated Disbursement and Information System. For program year 2000-01, the Consolidated Annual Plan and Performance Evaluation Report continues to be available at the Community Development Department and the Chula Vista Library. For program year 2000-01, no citizen comments were submitted.

SELF EVALUATION

Overall the City of Chula Vista has made an impact to the community through the use of Community Development Block Grant and HOME Investment Partnership funds. As demonstrated throughout this report, funds continue to be budgeted at the maximum allowable for social service programs. The City has also budgeted CDBG funds for capital improvement and economic development programs. Other projects that have an impact on the community which continually receive funding include graffiti eradication, senior rehabilitation activities, community development activities, and fair housing activities.

The indicators that would best describe the results of funding activities with CDBG funds include the positive public feedback received during the public hearing process in allocating CDBG funds. The City established priorities in funding programs and projects that best suit the needs of Chula Vista residents. Funding local based organizations that assist local residents has been a high priority with the Chula Vista City Council and this priority continues to be supported by the community.

The status of expenditures of CDBG funds is consistent with City expectations. Since most expenditures are on a reimbursement basis, most CDBG funds are expended in a timely manner. An exception to this timely expenditure of funds can be seen in the capital improvement category of the budget. However, the City has taken a proactive approach to ensure all CDBG and HOME funds are expended within the time frame as outlined in the CDBG regulations.

In conclusion, the City of Chula Vista is on target in fulfilling the goals and objectives outlined in the 2000-05 Consolidated Plan. As the City continues to increase in population, the necessary resources will continue to be targeted for social service programs, capital improvement projects, economic development projects, community projects, and planning and administration. The funding sources for these programs will come from a variety of sources outside of CDBG and HOME. These funds include the Redevelopment Agency 20% set-aside funds and the General Fund.

PROGRAMMATIC NARRATIVES

Assessment of the Use of CDBG Funds for High Priority Activities

Due to a lack in resources, it is not possible to address all the needs of low income and special needs populations for housing and services in the community. Therefore, the City has selected the following priority needs on which to focus the City's resources in the next five years. The priorities were established taking the following two concerns into consideration: (1) those categories of low and moderate income households most in need of housing and community development; and (2) activities that will best meet the needs of those identified households. The High priority represents a commitment to address the need in the Five Year Strategic Plan. For fiscal year 2000-01, the following High priority categories were funded:

Public Services. Community Development Block Grant funds in the amount of \$334,419 were budgeted for this category. This amount represents the maximum of 15% allowable for funding these programs. Types of activities funded include youth services, senior services, literacy, job training, handicapped services, homeless, and food distribution.

Accessibility Needs. For fiscal year 2000-01, Community Development Block Grant funds were budgeted in the amount of \$50,000. These funds are used for the annual curb cuts program. For fiscal year 2000-01 **\$42,047 has been expended which produced 12 curb cuts.**

Economic Development. For fiscal year 2000-01, Community Development Block Grant funds were

budgeted in the amount of \$102,500. These funds were used to provide assistance in advancing Economic Development activities in Chula Vista. It should be noted, however, that General Fund and Redevelopment Agency funds were also utilized to promote economic development activities.

Southwestern College was awarded \$16,000 for promoting job training activities at Southwestern College. South Bay Community Services was awarded \$26,500 for their Teen Club, and the Community Development Department received \$13,500 for a Business Retention Specialist. Some Economic Development efforts for fiscal year 2000-01 include:

IDEC. During fiscal year 1999-00, the City of Chula Vista was actively negotiating with the San Diego Padres to re-locate to Chula Vista. The Bayfront was the determined site and both the Port District and Chula Vista were proposing the new ball park be located. With the close proximity to Mexico and excellent freeway access, the Bayfront was seriously considered. However, the San Diego Padres decided to build the new ball park in downtown San Diego.

Leviton. In late 1998, Solar Turbines opened a 92,000 square foot facility in Chula Vista. The move allowed the firm to expand its San Diego operations and to increase its component manufacturing operation by 20%. The company is investing \$5 million on the lease, site improvements and relocation costs related to the new facility and is employing 100 to 150 additional personnel.

LEAP Fair. This Fortune 100 defense electronics firm employs over 100,000 employees and opened a 100,000+ square foot facility employing approximately 250 personnel in 1998. Raytheon selected Chula Vista due to its proximity to the company's naval clients and to the assistance of the Economic Development staff who provided demographic and housing information along with local and state tax initiatives.

Youth Centers. For fiscal year 2000-01, Community Development Block Grant funds were budgeted in the amount of \$223,772. Funds in the amount of \$96,522 were budgeted for the Otay Recreation Center; \$52,250 was budgeted for the Boys and Girls Club of Chula Vista to rehabilitate the restroom facilities at the Oleander facility; \$50,000 was budgeted for the Chula Vista Little League to make improvement to an existing playing field for athletic activities and \$25,000 was awarded to the South Bay Family YMCA to update the current facility on Fourth Avenue.

Nature and Reason for Changes in Program Objectives

The City has not identified any reasons for changes in the Consolidated Plan program.

Result of On-Site Inspections of Affordable Rental Housing Assisted under HOME

There are no affordable rental housing units currently funded by HOME in Chula Vista that would trigger on-site inspections.

Assessment of the HOME Jurisdiction's Affirmative Marketing Actions

Every Developer complying with the City of Chula Vista's Housing Element's Affordable Housing Plan and shall submit to the City an Affirmative Marketing Plan, for City review and approval, which details

actions the Developer will take to provide information and otherwise attract eligible persons in the housing market area to the available housing without regard to race, sex, sexual orientation, marital status, familial status, color, religion, national origin, ancestry, or handicap, age, or any other category which may be defined by law now or in the future.

Assessment of Grantee's Efforts in Carrying Out Activities Outlined in the 2000-01 Action Plan

Monitoring. Careful evaluation of the housing and public service delivery system can be the most effective tool in detecting gaps and making appropriate modifications. Chula Vista monitors its sub-grantees, conducts in-house review of progress reports and expenditures and performs on-site visits to ensure compliance with federal regulations. Agreements made with sub-grantees encourage uniform reporting to achieve consistent information on beneficiaries. Technical assistance is provided when necessary. For fiscal year 2000-01, the Community Development Department conducted ten on-site visits and remotely monitored the remainder of the sub-grantees.

Homelessness. The City of Chula Vista continued to support the efforts of South Bay Community Services transitional and short-term housing projects which assist the homeless in addition to funding the following projects in fiscal year 2000-01:

Thursday's Meal. This program received \$8,000 in CDBG funding and provides hot meals for homeless individuals and families.

San Diego Regional Task Force on the Homeless. This program received \$1,000 in CDBG funds and provides Chula Vista and the Region with statistical data on the homeless population throughout San Diego County.

Lutheran Social Services - Project Hand. This program received \$12,000 in CDBG funds and provides services that include, in part, shelters for the homeless, transitional housing, emergency food, clothing and transportation.

County of San Diego Housing and Community Development Department. The City of Chula Vista partnered with the County of San Diego for a Cold Weather Shelter Voucher Program. This program provided motel/hotel vouchers for homeless individuals and families. Redevelopment Agency funds in the amount of \$11,213 were expended for this program.

Anti-Poverty Strategy. As part of the City's Anti-Poverty Strategy, the City will endeavor to integrate social services and housing activities for households below the poverty line. These efforts include, but are not limited to the following:

South Bay Community Services KIDSBIZ Program. This program teaches at-risk youth to use their entrepreneurial skills in a positive way. Teenagers are taught to develop their own business plans and to run their own business. CDBG funds were committed in the amount of \$26,500 for this program.

Earned Income Tax Credit Program. South Bay Community Services has hired a program coordinator to provide outreach and education to community residents about the Earned Income Tax Credit. This coordinator assists in qualifying citizens in applying for the tax credit. Eligible families are working parents with children earning under \$23,050 per year. CDBG funds are not budgeted for this program.

Park Village Apartments. On-site day care and job training services are offered at this very low income apartment complex. CDBG funds are not budgeted for this program.

Casa Nueva Vida I & II. Residents are required to secure an income and save money for their first month's rent plus security deposit. They are referred to outside job training agencies for help in securing a job. Independent living skills are taught in areas of health, nutrition, immunizations, parenting, and other pertinent issues. Individual and family counseling is also offered. CDBG funds are not budgeted for this program.

Coordination. The City will coordinate and implement its strategies through the following activities:

Activity:Target available CDBG funding to those areas and population exhibiting the greatest need.

Activity:Encourage social service providers to work with developers and CHDOs to provide service-enriched housing. Services include health care referrals, financial counseling, and case management.

Activity:Assist county, state, federal, educational, and private organizations involved in economic development and job training in targeting their efforts toward those areas of Chula Vista exhibiting the greatest need.

Obstacles to under served needs. The City is continuing in its effort to remove obstacles to under served needs throughout the community. The City has made a commitment to budget CDBG funds at the maximum allowable to offer citizens much needed programs and services in the area of literacy, job training, youth activities, senior services, violence prevention, and health care assistance for low income families. For fiscal year 2000-01, the City budgeted \$334,419 in CDBG funds.

Geographic areas for expenditure of CDBG funds. The City uses CDBG funds in areas of the City located within eligible census tracts where improvements are most needed. Many of the projects assisted with CDBG are located in the western portion of the city where infrastructure improvements and revitalization is most needed. The City continues to implement the ADA improvements throughout the community as required by federal mandate. For fiscal year 2000-01, the City budgeted \$50,000 for ADA Curb Cuts. Additionally, the City budgeted approximately \$1.17 million for various infrastructure improvements; playground equipment; street lighting and street improvement projects in targeted census tracts.

The City committed the full \$2,211,579 in CDBG funds. Table 1 delineates the CDBG funds committed to the following programs and projects:

Table 1
Commitment of CDBG funds for Fiscal Year 2000-01

Programs	Funding Amount
Public Service	\$334,419

Community Projects	\$179,000
Economic Development	\$102,500
Capital Improvement Projects	\$1,248,491
Administration & Planning	\$347,169
Total CDBG Funds Committed	\$2,211,579

The City committed \$843,000 in HOME funds. Table II delineates the HOME funds committed to the following programs and projects:

Table II
Committed HOME Funds for Fiscal Year 2000-01

Project	Funding Amount
Administration	\$84,300
CHDO Reserve	\$126,450
CHDO Operation	\$42,150
EastLake Greens Affordable Housing Project	\$343,850
First-time Homebuyer Program	\$246,250
Total	\$843,000

Since HOME funds have not been expended for program year 1999-00, no matching fund requirement .

Administration

HOME funds can be used for general administration of the HOME program. However, these funds cannot exceed 10% of the entitlement. Administration includes general management and oversight of the HOME program and monitoring activities. For fiscal year 2000-01 the City of Chula Vista budgeted \$84,300 in HOME funds for administration.

CHDO Reserve

The HOME regulations specify that a minimum of 15% of a jurisdiction's entitlement must be set-aside for a Community Housing Development Organization. Currently, South Bay Community Services is Chula Vista's local CHDO. For fiscal year 2000-01 the City of Chula Vista committed \$126,450 in HOME funds. For fiscal year 2000-01, no expenditure of CHDO funds have occurred. The City is preparing to solicit other CHDOs to develop and support affordable housing in the South Bay. Currently, South Bay Community Services is the only City-approved CHDO. The MAAC project is also a CHDO and the City will be requesting information from them for certification purposes.

CHDO Operating

HOME funds in the amount of \$42,150 was budgeted for CHDO Operation. According to the HOME regulations, 5% of a jurisdiction's entitlement can be used for CHDO Operating expenses. HOME funds have been used to pay a portion of South Bay Community Services office rent.

EastLake Greens Affordable Housing Project

EastLake Development Company has requested and will receive assistance from the City to provide HOME funds for a down payment and closing cost program. As part of the City's inclusionary housing requirement, EastLake Development Company is required to provide 5% of its housing development to low income households. EastLake initially proposed to develop 187 for-sale units. However, due to EastLake's inability to purchase an adjacent parcel, EastLake will be providing 130 for-sale units which will fulfill their inclusionary housing requirement.

In order to assist lower income households qualify for the units, the City is providing HOME funds for a first-time home buyer program in an amount not-to-exceed \$5,000 per unit. The EastLake Greens project has just completed the planning and grading began in January 1999. Mortgage Loan Specialists (the primary lender for EastLake) has pre-qualified approximately 150 potential first-time homebuyers for the project. For fiscal year 1999-00 there has not been any expenditure of HOME funds for the EastLake Greens project since the units have yet to be built.

Low and Moderate Income Housing Fund

In addition to the above use of funds, the City committed \$300,000 in Low and Moderate Income Housing Fund monies to rehabilitate single-family residences and mobile homes within the City of Chula Vista. Homes eligible for rehabilitation have historically been located in the western portion and the oldest part of the city. The current CHIP loan program is undergoing change in order to more effectively leverage City funds. For fiscal year 1999-00 approximately \$150,000 in CHIP grant funds have been used to assist low-income residents who reside in the City's mobile home parks. With the CHIP loan program on hold, there have not been any significant loans issued.

The Low and Moderate Income Housing Fund also assists in the development of affordable housing units. For fiscal year 2000-01 approximately 1.6 million has been expended on three projects: [1] Pear Tree Manor; [2] Trolley Trestle; and [3] Villa Serena.